

**REMARKS**

Claims 1-7 and 9-12 are all the claims pending in the Application. By this Amendment, Applicant amends claims 1, 9, and 12 to further clarify the invention.

**Statement of Substance of the Interview and Prior Art Rejections**

Claims 1-7 and 9-12 are rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 4,912,310 B1 to Uemura et al. (hereinafter "Uemura"). Applicant respectfully traverses this rejection and respectfully requests the Examiner to reconsider in view of the comments which follow.

Applicant thanks the Examiner for the courteous telephonic interview on February 14, 2006. The Statement of Substance of the Interview is as follows:

During the interview independent claim 1 was discussed in view of Uemura. Specifically, Applicant proposed to amend independent claims 1, 9, and 12 to further clarify the invention so as to recite some variation of: "wherein, also during the authentication process, said electronic encryption keys in the system devices and first and further user devices are unreadable from outside said electronic circuitry and only used by algorithms executed internally in the user device and wherein, when an encryption key used by the algorithms internally in the user device result in the successful authentication, the encryption key is replaced with another key of a different level." In response, the Examiner indicated that she believes the proposed amendments should overcome the rejection of record.

That is, the Examiner previously indicated that Uemura's invalid card will not be readable from the outside and as such the invalid card discloses the encryption key set forth in the independent claims (*see* pages 3-4 of the Office Action: "when the card is invalid, it is

unreadable from outside (col. 29, lines 40 to 47)"). In Uemura, however, an invalid card can not result in a successful authentication. That is, when the card is invalid, it will not be successfully authenticated. On the other hand, when the card is valid, it is read by the console 10 (card issuing machine) and as such is clearly readable from outside. In other words, even assuming *arguendo* that the invalid card of Uemura can somehow be compared to the encryption key set forth in the independent claims 1, 9, and 12, the invalid card of Uemura will never result in successful authentication and as such Uemura's invalid card does not disclose an encryption key, as set forth in these independent claims.

Therefore, "wherein, also during the authentication process, said electronic encryption keys in the system devices and first and further user devices are unreadable from outside said electronic circuitry and only used by algorithms executed internally in the user device and wherein, when an encryption key used by the algorithms internally in the user device result in the successful authentication, the encryption key is replaced with another key of a different level," as set forth in some variation in the independent claims 1, 9, and 12, is not disclosed by Uemura, which lacks an invalid key resulting in a successful authentication. For at least these exemplary reasons, claims 1, 9, and 12 patentably distinguish from Uemura. Accordingly, Applicant respectfully requests the Examiner to withdraw this rejection of claims 1, 9, and 12 and their dependent claims 2-7, 10, and 11.

#### Conclusion


In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the

AMENDMENT UNDER 37 C.F.R. § 1.111  
U.S. Appln. No. 09/802,931  
Attorney Docket No.: Q63553

Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly invited to contact the undersigned attorney at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,

  
\_\_\_\_\_  
Nataliya Dvorson  
Registration No. 56,616

SUGHRUE MION, PLLC  
Telephone: (202) 293-7060  
Facsimile: (202) 293-7860

WASHINGTON OFFICE

**23373**

CUSTOMER NUMBER

Date: March 20, 2006

Attorney Docket No.: Q63553